HON'BLE SRI JUSTICE BILAL NAZKI
AND
HON'BLE SRI JUSTICE NOOTY RAMAMOHANA RAO

WRIT PETITION No.19287 of 2006

Date: 02-07-2007.

Between :

M/s.Reliance Infocomm Limited, Hyderabad,
rep. by its Authorized signatory.

.....Petitioner

And

State of Andhra Pradesh, rep. by the Principal Secretary,
Department of Municipal Administration & Urban
Development & others.

.....Respondents.

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ORDER : (Per Hon'ble Sri Justice Bilal Nazki)

The petitioner-Company is aggrieved mainly of the demand notices raised against it in terms of Section 421 of the Hyderabad Municipal Corporation Act, 1955 (for short "the HMC Act"), on account of tax on advertisements. One of the contentions raised by the petitioner is that in terms of Section 421 of the HMC Act, the advertisements which have been put by the petitioner are not taxable and are exempt from tax. Another contention raised by the petitioner is that the demand notices have been issued by private agencies being respondent Nos.7 to 12.

The HMC Act envisage levy of tax, raising of demand and collection of tax and for all these steps, specific provisions are there in the relevant Acts. The Municipal Corporation or the Municipalities cannot raise demands or collect taxes in any method other than the

method prescribed under the Statute.

We understand these questions were considered by a learned Single Judge of this Court in **National Insurance Company Limited, Hyderabad v. Additional Commissioner (Finance), Municipal Corporation of Hyderabad**[1]**.** The learned Single Judge found that there were questions of fact and many controversial facts had to be considered before coming to a conclusion as to whether exemptions created under Section 421 of the HMC Act would be available to a particular petitioner or not. Therefore, the learned Single Judge gave an opportunity to the writ petitioners in **National Insurance Company's** case (Supra) to make representations to the respondents in those cases, and asked the respondents to consider such representations. The questions of law which were raised before the learned Single Judge in **National Insurance Company's** case (Supra) were not answered.

Since directions have been given by the learned Single Judge in many of the cases and the Municipality is seized of the matter of considering the representations, we also deem it not appropriate at this stage to go into the questions of law raised. Therefore, the questions of law raised are not answered and the writ petition is disposed of giving liberty to the petitioner to make representations to

the respondents within a period of two weeks. The respondents may consider the representations of the petitioner and pass speaking orders on all the contentions raised by the petitioner. The impugned demand notices are quashed. No order as to costs.

BILAL NAZKI, J

2nd July 2007

NOOTY RAMAMOHANA
RAO, J

ajr

[1] 2007(1) ALD 312